

Date: November 2, 2001

For more information: +31 75 659 57 20

Ahold and partner La Fragua in Guatemala team up in new joint venture with Costa Rican market leader CSU

Largest store network in Central American region

- **Combination of 253 food stores with annual sales of over USD 1.3 billion**
- **Consumer benefits from economies of scale and synergies**
- **Joint venture plans further growth in region**

Guatemala, Costa Rica, The Netherlands, November 2, 2001 – **Paiz Ahold, the successful 50/50 joint venture of food retailers La Fragua and Ahold in Guatemala, El Salvador and Honduras, has signed an agreement with Costa Rican supermarket and hypermarket company CSU to form a new joint venture. The new joint venture will bring together all of their operations in the Central American region. Contracts were signed today. Each of the partner companies – Ahold, Paiz and CSU – will effectively have a one-third stake in the new venture.**

CSU is already the leading food retailer in Costa Rica and Nicaragua with stores in Honduras as well as important agribusiness operations in the region. Paiz Ahold is the joint venture of Guatemala-based food retailer La Fragua and international food provider Ahold, headquartered in The Netherlands.

Background

The new joint venture will have sales of approximately USD 1.3 billion and, once completed, becomes the leading retail operation in the Central American region. All three companies, CSU, La Fragua and Ahold will have seats on the Board reflecting their share of ownership. First Chairman will be Carlos Paiz of La Fragua.

CSU and Paiz Ahold bring their entire activities in Central America into the joint venture. The activities include store operations, real estate, production and distribution facilities. The new joint venture will be named CARHCO (Central American Retail Holding Company).

Paiz Ahold is active in Guatemala, El Salvador and Honduras with total sales of approximately USD 640 million. CSU has operations in Costa Rica, Nicaragua and Honduras with sales of approximately USD 720 million. The five countries together have a population of approximately 35 million people. La Fragua and CSU are profitable and recognized for their excellent customer service, their product and service innovations, and their sense of social responsibility to the local economies of the countries in which they operate.

Combined, the new venture will be active in five Central American countries in which they currently jointly operate 253 stores with total sales of over USD 1.3 billion.

Among the objectives of the joint venture are the further improvement of customer services, ongoing organic growth in existing markets and the development of retail activities, directly or through partnerships and acquisitions, in other countries in the region. CSU and La Fragua jointly employ approximately 15,000 people.

Joint statement of Chairmen CSU and La Fragua

CSU Chairman Rodrigo Uribe and Carlos Paiz, Chairman of La Fragua, said in a joint statement that the combined know-how and experience expected to be brought together in CARHCO will further improve the customer services already in place. 'The new economies of scale and synergies will benefit customers, the business and the local economies. As the need for quality food in our markets is rapidly growing, we expect considerable advantages from working closely together. We will be much better positioned to meet ever changing consumer demands. We also have the ambition later on to team up with other local parties in Central American countries where we have no presence yet. Our new partnership will allow us to expand and improve services and Ahold's international expertise contributes to this in important ways. In combination with our local know-how and experience we expect to contribute to the economic growth of the countries we operate in and significantly improve our customers' food shopping experience.'

Background CSU

CSU currently operates 128 supermarkets and hypermarkets in Costa Rica, Nicaragua and Honduras. The company, headquartered in Costa Rica, is the leading food retailer in the Southern Central American region with annual sales of approximately USD 720 million. CSU is market leader in Costa Rica with 92 stores. It holds prominent positions in Nicaragua (20 stores) and Honduras (16 stores). The company also brings into the new joint venture its wholly-owned subsidiary CCA, which has important production facilities for produce, meat, bread and confectionery. These production plants will also service other stores belonging to the joint venture in the future. Of the 128 CSU stores, 127 are supermarkets and 1 is a hypermarket. A new hypermarket and a warehouse store will be opened by the end of November 2001.

Background La Fragua

La Fragua operates 125 stores in Guatemala, El Salvador and Honduras. The company, headquartered in Guatemala where it is market leader with 95 stores, has sales of approximately USD 640 million. Under the leadership of the founding Paiz family, La Fragua developed important positions in El Salvador (20 stores) and Honduras (10 stores). In December 1999 La Fragua and Ahold formed the successful 50/50 joint venture Paiz Ahold. The main store formats used by La Fragua are hypermarkets (5), supermarkets (28), a membership warehouse (1) and discount stores (91). La Fragua opened the first Central American supermarket in 1959. Two more new hypermarkets are planned to open in the fourth quarter of 2001.

Background Ahold

Ahold is a leading international food retailer and food service operator headquartered in The Netherlands, serving 35 million local customers every week. The company has operations in the US, Latin America, Europe and Asia. Total worldwide sales amount to approximately USD 60 billion. Ahold shares are traded on the Amsterdam, Zurich and New York Stock Exchanges.

Comments by Allan Noddle, Ahold Corporate Executive Board

Allan Noddle, member of the Ahold Corporate Executive Board responsible among others for Latin American operations, said in a comment: 'The new joint venture in Central America is fully in line with Ahold's international strategy. We started serving Central America at the end of 1999 when we partnered with the Paiz family of La Fragua. Both La Fragua and our new partner CSU have excellent management teams and a loyal customer base. Working together in CARHCO provides an outstanding base for future growth throughout the region.'

Remarks Carlos Paiz, Chairman La Fragua

Carlos Paiz, Chairman of La Fragua, is very pleased with the cooperation between CSU, La Fragua and Ahold. 'CSU and La Fragua are excellent companies with a similar culture. We are both heavily involved in the local communities and appreciated by consumers for the ways we contribute to society. The partnership of two regional market leaders with an international food retailer makes a winning team, set to boost food retail in the region and service the consumer in the best way possible. We're excited and ready to make all our stakeholders in the region benefit.'

Remarks Rodrigo Uribe, Chairman CSU

Rodrigo Uribe, Chairman of CSU, is very pleased with the broad cooperation between his company, Ahold and La Fragua. 'The know-how and experience of our new partners enable us to introduce new services and products to our customers. We expect the new joint venture to also significantly benefit the economies of the countries we operate in as we see new opportunities for export of local products to the regional and international store network of our partners. We're eager to team up with La Fragua and Ahold as they share the same philosophy and have the same goals. This joint venture is set to become very successful.'

Ahold Corporate Communicationss: +31.75.659.5720

Mobile: Hans Gobes, +31.6.55.82.22.98, Jan Hol: +31.6.22.93.31.37